

Lower Paxton Township

2014 Budgets

GOOD GOVERNMENT FOR A GREAT COMMUNITY

Lower Paxton Township - Your Municipal Government -

- LPT is organized as a PA Township of the 2nd Class, with 5 Supervisors elected at large.
 - LPT possesses a population of more than 47,000 residents in 28 square miles.
 - LPT owns 200 miles of roads, 275 miles of sanitary sewers, 320 acres of parkland.
 - LPT employs 140 full-time and nearly 400 part-time and seasonal workers.
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Lower Paxton Township

- Your Municipal Services -

- ☐ Public Safety - *Police, Fire, EMS, & Emergency Preparedness*
 - ☐ Public Works – *roads, storm sewers, municipal properties, and the compost facility*
 - ☐ Sanitary Sewer
 - ☐ Parks and Recreation & the Friendship Center
 - ☐ Community Development/Sanitation/Health
 - ☐ Administration/Finance/Personnel
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Lower Paxton Township - Your 2014 Municipal Funds -

The following budgets are proposed for consideration by the Board of Supervisors. Final consideration by the Board is scheduled for its public meeting to be held on December 17, 2013, beginning at 7:30 p.m. The LPTA will adopt its budgets during a public meeting immediately prior to that of the Supervisors.

General Fund - \$19,662,475 (balanced)

Liquid Fuels Fund - \$1,007,280 (balanced)

General Improvement Fund - \$1,732,000 (expenditures)

Fire Equipment Capital Fund - \$204,000 (revenues)

LOSAP - \$77,520 (revenues) & \$30,000 (expenditures)

Friendship Operating Fund - \$2,250,904 (revenues) & \$2,265,454 (expenditures)

LPTA Operating Fund - \$13,800,000 (revenues) & \$12,403,888 (expenditures)

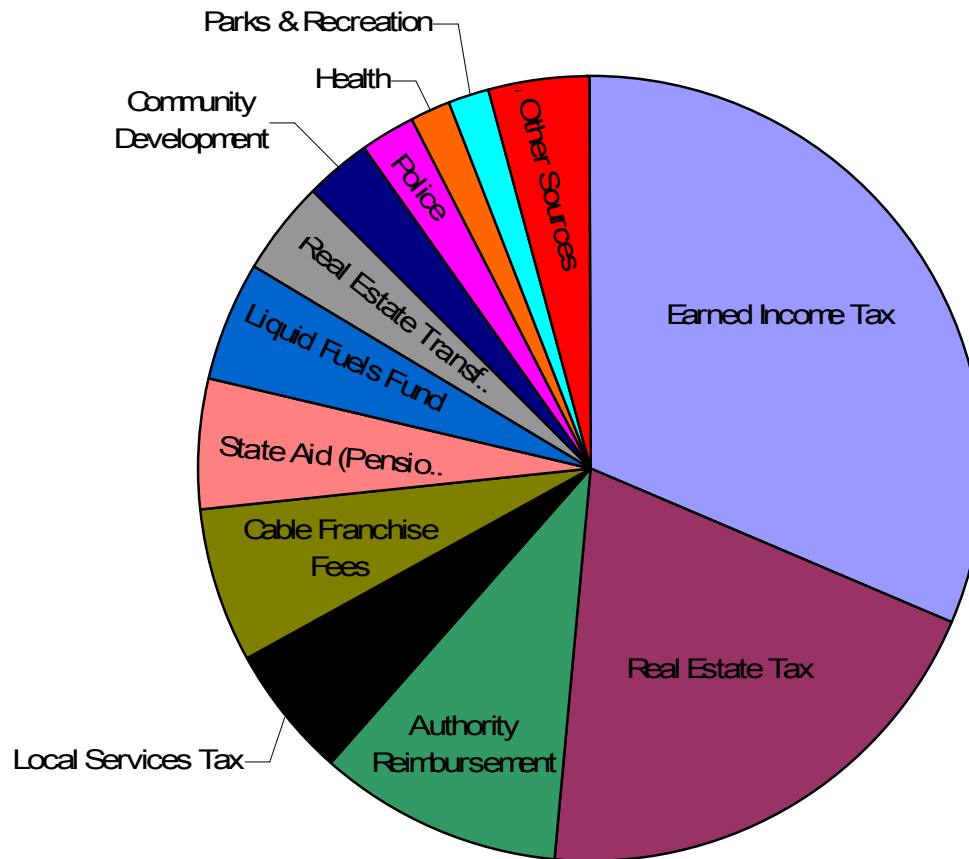
LPTA Capital Fund - \$14,746,500 (expenditures)

Proposed 2014 Spending Plan - \$52 million

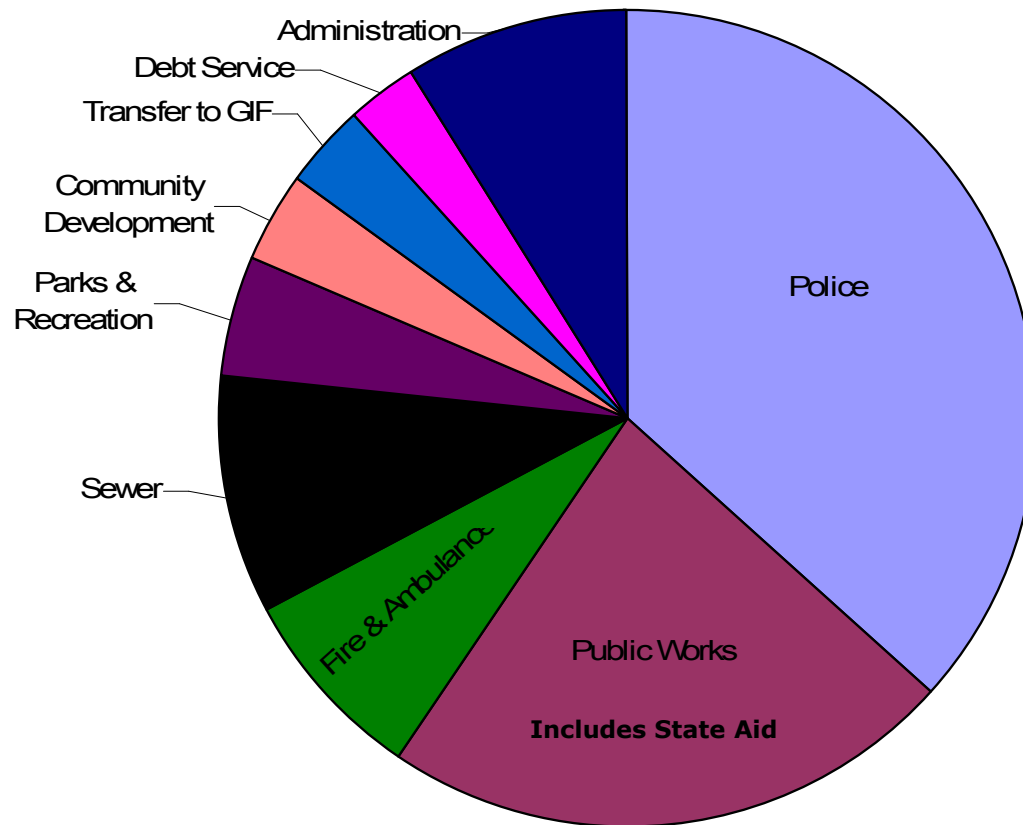
Lower Paxton Township 2014 General Fund

- ☐ **The General Fund is the operating fund for the Township. This fund operates on a calendar year basis with a balanced budget.**
 - ☐ **The 2014 fiscal year General Fund budget is balanced at \$19,662,475.**
 - ☐ **The General Fund is the primary source of revenue for the General Improvement Fund, the Fire Equipment Capital Fund, the Police Pension Fund, and the Non-Uniformed Employee Pension Fund.**
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2014 General Fund Revenues



2014 General Fund Expenditures



Lower Paxton Township 2014 State Aid Fund

- ☐ The State Aid Fund is per the PA Liquid Fuels Tax Act 655 of 1956 and exists as a sub-component of the General Fund.
 - ☐ The Township deposits and expends state revenues for maintenance and construction of local roads.
 - ☐ In 2014, the State Aid Fund expects \$1,007,280 in both revenues and expenditures.
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Lower Paxton Township 2014 Fire Equipment Capital Fund

- ☐ The Fire Equipment Capital Plan covers nine pieces of primary apparatus used by the Township's 3 volunteer fire companies.
 - ☐ The 2014 fiscal year will began with a Fire Equipment Capital Fund balance of approximately \$988,000. An additional \$204,000 will be added during the fiscal year.
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Lower Paxton Township 2014 LOSAP Fund

- ❑ The Length of Service Award Program (LOSAP) provides a defined benefit stipend to volunteer firefighters and/or fire police officers who meet certain criteria.
 - ❑ The LOSAP Fund balance is expected to be approximately \$350,000 at the beginning of the 2014 fiscal year. An additional \$77,520 will be added during the fiscal year.
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Lower Paxton Township 2014 General Improvement Fund

- ☐ The General Improvement Fund is used by Lower Paxton Township for one-time capital projects.
 - ☐ In 2014, General Improvement Fund expenditures for capital projects are budgeted at \$1,732,000.
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Lower Paxton Township 2014 Friendship Center Fund

- ❑ The Friendship Center operates as an “enterprise” entity, with revenues coming primarily from user charges to fund operations, debt service, and capital facilities.
 - ❑ The Friendship Center 2014 Operating Fund expects \$2,250,904 in revenues and \$2,265,454 in expenditures.
 - ❑ The Center’s Capital Fund is expected to possess a balance of \$94,700 on January 1, 2014.
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2014 LPTA Operating & Capital Funds

- ☐ The Lower Paxton Township Authority (LPTA) operates as an “enterprise” entity, providing sanitary sewer service.
 - ☐ The LPTA 2014 Operating Fund expects revenues of \$13,800,000 and expenditures of \$12,403,888.
 - ☐ LPTA expenditures for capital projects in 2014 are expected to be \$14,746,500.
 - ☐ The LPTA is expected to possess cash-on-hand of \$27 million at the beginning of the 2014 fiscal year.
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Lower Paxton Township Annual Expenditures for Operations

- ❑ From 2007 through the 2014 budget, annual expenditures for municipal operations have increased by a total of 12.4% or **only 1.6% per year.**
 - ❑ The Consumer Price Index for NE urban areas has increased 15.5% from 1/07 to 10/13, 2.2% per year.
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2014 General Fund Budget Comparisons

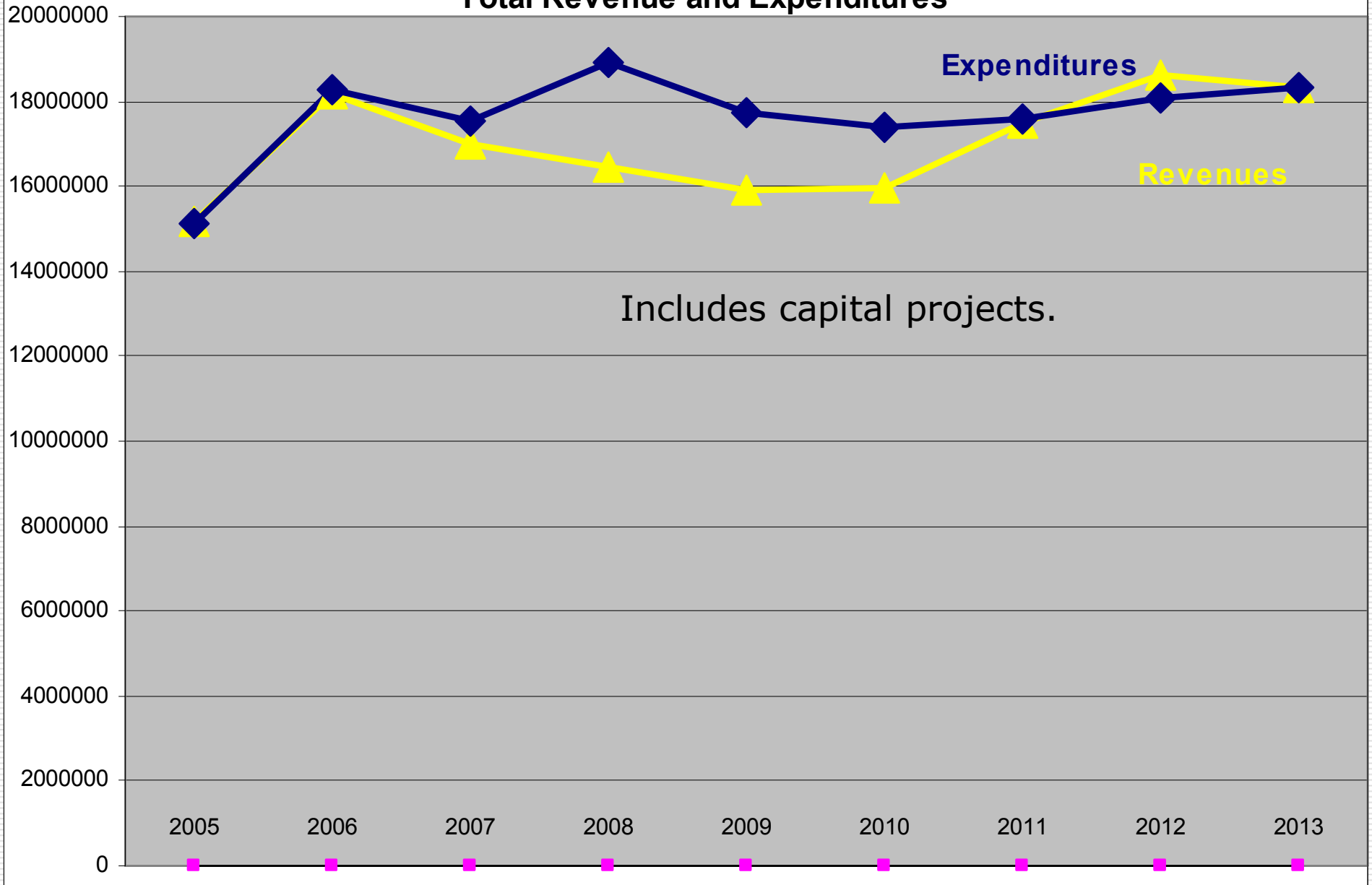
Revenue:

- 2013 budget revenue - \$18,340,073
- 2013 year-end estimate - \$18,976,922
- 2014 budgeted revenue - \$19,662,475

Expenditures:

- 2013 budgeted expense - \$18,340,073
 - 2013 year-end estimate - \$18,062,413
 - 2014 budgeted expense - \$19,662,475
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Total Revenue and Expenditures



Lower Paxton Township Fund Balance

The Board of Supervisors' policy is to maintain a General Fund balance of at least 25% of budgeted General Fund expenditures for operations, \$19,662,475, as proposed in the 2014 General Fund budget.

The General Fund balance at the end of 2013 is estimated to be **\$6,912,764**.

Per policy, 25% of the \$19,662,475 General Fund 2014 budget is \$4,915,619.

The year-end 2014 General Fund balance is estimated to be \$1,997,145 more than the 25% threshold.

Lower Paxton Township

Tax Basics for 2014

Lower Paxton Township 2014 Municipal Tax Basics

- ❑ The Township's largest source of revenue is the Earned Income Tax (EIT), expected to generate \$7,200,000.
 - ❑ The Real Estate Tax is expected to generate \$3,960,685.
 - ❑ The Local Service Tax is expected to generate \$1,050,000.
 - ❑ ***The Township levies no other taxes that are paid by residents on an annual basis.***
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Lower Paxton Township 2014 Municipal Tax Basics

- ❑ The Real Estate Tax is the **only** significant source of General Fund revenue that LPT can adjust.
 - ❑ LPT **cannot** adjust the rates of taxation for Earned Income, Local Services, or Real Estate Transfer Taxes, the only other taxes it levies.
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Lower Paxton Township Real Estate Tax Basics for 2014

- ❑ The Real Estate Tax rate will remain 1.3 mills.
 - ❑ The Real Estate Tax is expected to generate \$3,960,685, ***only 20%*** of the General Fund.
 - ❑ 26% of the Real Estate Tax (over \$1 million) funds volunteer fire services.
 - ❑ **Only \$2.9 million in Real Estate Tax revenue is available for municipal operations in 2014 – 15% of the General Fund.**
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Average 2012 Municipal Real Estate Tax Millage In Dauphin County

2.648 mills – (excludes 2 with no real estate tax and 5 with millage rates above 8 mills).

Lower Paxton Township - 1.300 mills.

Lower Paxton Township 2014 Real Estate Tax (Example)

**The LPT Real Estate Tax for a house
with an assessed value of
\$200,000**

2014 Real Estate Tax (1.3 mills):

.937 mills (general) \$187.40

.322 mills (fire protection) \$64.40

.041 mills (library service) \$8.20

TOTAL: \$260.00

Lower Paxton Township TOTAL Real Estate Taxation

- In 2013, Lower Paxton Township property owners paid real estate taxes at the rate of 22.843 mills; to CDSD at 14.317 mills, Dauphin County at 7.226 mills, and LPT at 1.3 mills.***
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